

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

In re:

BIG LOTS, INC., *et al.*,

Debtors.<sup>1</sup>

Chapter 11

Case No. 24-11967 (JKS)

(Jointly Administered)

**Objection Deadline:**

**November 29, 2024, at 4:00 p.m. (ET)**

**COVER SHEET FOR FIRST CONSOLIDATED MONTHLY APPLICATION OF  
GUGGENHEIM SECURITIES, LLC FOR COMPENSATION FOR SERVICES  
RENDERED AND REIMBURSEMENT OF EXPENSES INCURRED AS INVESTMENT  
BANKER TO THE DEBTORS AND DEBTORS IN POSSESSION FOR THE PERIOD  
FROM SEPTEMBER 9, 2024, TO AND INCLUDING OCTOBER 31, 2024**

Name of Applicant:	<u>Guggenheim Securities, LLC</u>
Authorized to Provide Professional Services to:	<u>Debtors and Debtors in Possession</u>
Date of Retention:	<u>October 18, 2024, effective September 9, 2024</u>
Period for Which Compensation and Reimbursement are Sought:	<u>September 9, 2024 – October 31, 2024</u>
Amount of Compensation Sought as Actual, Reasonable and Necessary:	<u>\$8,944,000.00<sup>2</sup></u>

<sup>1</sup> The debtors and debtors in possession in these chapter 11 cases, along with the last four digits of their respective employer identification numbers, are as follows: Great Basin, LLC (6158); Big Lots, Inc. (9097); Big Lots Management, LLC (7948); Consolidated Property Holdings, LLC (0984); Broyhill LLC (7868); Big Lots Stores - PNS, LLC (5262); Big Lots Stores, LLC (6811); BLBO Tenant, LLC (0552); Big Lots Stores - CSR, LLC (6182); CSC Distribution LLC (8785); Closeout Distribution, LLC (0309); Durant DC, LLC (2033); AVDC, LLC (3400); GAFDC LLC (8673); PAFDC LLC (2377); WAFDC, LLC (6163); INFDC, LLC (2820); Big Lots eCommerce LLC (9612); and Big Lots F&S, LLC (3277). The address of the debtors' corporate headquarters is 4900 E. Dublin-Granville Road, Columbus, OH 43081.

<sup>2</sup> The above amount is on account of (i) the September 2024 and October 2024 Monthly Fees (as defined below) each in the amount of \$200,000.00, and (ii) a net \$8,544,000.00 Financing Fee on account of the Financing Transaction approved pursuant to the *Final Order Under Bankruptcy Code Sections 105, 361, 362, 363, 364, 503, 506, 507, And 552, And Bankruptcy Rules 2002, 4001, 6003, 6004, And 9014 (I) Authorizing Debtors To (A) Obtain Postpetition Financing And (B) Use Cash Collateral, (II) Granting (A) Liens And Providing Superpriority Administrative Expense Status And (B) Adequate Protection To Prepetition Secured Creditors, (III) Modifying Automatic Stay, And (IV) Granting Related Relief* Docket No. 584 (the "Final DIP Order"). In accordance with the Retention Order, 50% of the Monthly Fees for the months of August 2024, September 2024 and October 2024 are credited against the Financing Fee (3 x \$200,000.00 = \$600,000.00 x 0.5% = \$300,000.00). The net Financing Fee is calculated as follows: \$550,000,000.00 DIP ABL Facility raised + \$157,500,000.00 DIP Term Loan Commitment raised (both as defined in the Final DIP Order) = \$707,500,000.00 x 1.25% = \$8,844,000.00 - \$300,000.00 of Monthly Fee Crediting = \$8,544,000.00.

Amount of Compensation Requested

Immediately: \$6,835,200.00<sup>3</sup>

Amount of Expense Reimbursement Requested: \$19,638.23

This is a(n): monthly X interim \_\_\_\_\_ final application \_\_\_\_\_

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<sup>3</sup> This amount is on account of 80% of the \$8,544,000.00 Financing Fee. Pursuant to the Retention Order (as defined below), the Debtors are authorized to pay Guggenheim Securities' monthly fees (the "Monthly Fees") each month when required under the Engagement Letter (as defined below) without a prior fee application. Accordingly, Guggenheim Securities is not, by this Monthly Fee Application (as defined below), requesting payment of the Monthly Fees earned during the Compensation Period (as defined below). Guggenheim Securities, however, will seek approval of such Monthly Fees in its interim application(s) in these cases.

**FIRST CONSOLIDATED MONTHLY FEE APPLICATION OF  
GUGGENHEIM SECURITIES, LLC**

**HOURS BY PROFESSIONAL  
SEPTEMBER 9, 2024 - OCTOBER 31, 2024**

<b>Name</b>	<b>Position</b>	<b>Hours</b>
Stuart Erickson	Senior Managing Director	234.0
Stephen Preefer	Senior Managing Director	18.0
Adam Rifkin	Managing Director	155.0
Michael Gottlieb	Managing Director	221.0
Joshua Borow	Vice President	151.5
Cole Ahnell	Associate	126.0
Kelly Walsh	Associate	302.5
Braeden Kobza	Analyst	101.5
Lily Zelov	Analyst	377.0
<b>Total</b>		<b>1,686.5</b>

**FIRST CONSOLIDATED MONTHLY FEE APPLICATION OF  
GUGGENHEIM SECURITIES, LLC**

**HOURS BY CATEGORY  
SEPTEMBER 9, 2024 - OCTOBER 31, 2024**

<b>Category</b>	<b>Hours</b>
General Correspondence	565.0
Case Administration	389.5
Coordination of Creditors	25.0
Financial Analysis	149.5
Sale Related Activities	505.0
Travel	52.5
<b>Total</b>	<b>1,686.5</b>

**FIRST CONSOLIDATED MONTHLY FEE APPLICATION OF  
GUGGENHEIM SECURITIES, LLC**

**EXPENSES BY CATEGORY  
SEPTEMBER 9, 2024 - OCTOBER 31, 2024<sup>4</sup>**

<b>Expense Category</b>	<b>Amount</b>
T&E Taxi/Car Service	\$3,980.33
T&E Meals - Overtime	1,352.20
OFFICE Postage and Delivery	101.85
T&E Other	116.00
T&E Airfare	336.56
T&E Meals	132.37
PROFESSIONAL Legal	12,694.00
T&E Hotel	438.90
T&E Internet	486.02
<b>Total Expenses</b>	<b>\$19,638.23</b>

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<sup>4</sup> As set forth in the Retention Application, Guggenheim Securities received expense advances in the amount of \$25,000.00 on August 26, 2024 and \$15,000.00 on September 4, 2024 from the Debtors prior to the Petition Date. After the application of prepetition expenses, \$0 remains to be applied against the postpetition expenses set forth herein.

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

In re:

BIG LOTS, INC., *et al.*,

Debtors.<sup>1</sup>

Chapter 11

Case No. 24-11967 (JKS)

(Jointly Administered)

**Objection Deadline:**

**November 29, 2024, at 4:00 p.m. (ET)**

**FIRST CONSOLIDATED MONTHLY APPLICATION OF  
GUGGENHEIM SECURITIES, LLC FOR ALLOWANCE OF COMPENSATION FOR  
SERVICES RENDERED AND REIMBURSEMENT OF EXPENSES INCURRED AS  
INVESTMENT BANKER FOR THE DEBTORS AND DEBTORS IN POSSESSION FOR  
THE PERIOD FROM SEPTEMBER 9, 2024, TO AND INCLUDING OCTOBER 31, 2024**

Guggenheim Securities, LLC (“Guggenheim Securities”), the investment banker for the above captioned debtors and debtors in possession (collectively, the “Debtors”), hereby submits this first consolidated monthly fee application (this “Monthly Fee Application”), pursuant to sections 328, 330 and 331 of title 11 of the United States Code (the “Bankruptcy Code”), rule 2016 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), rule 2016-2 of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the “Local Rules”), the *Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses of Retained Professionals* Docket No. 519 (the “Interim Compensation Order”), and the *Order, Pursuant to Sections 327(a) and 328(a) of the Bankruptcy Code, Authorizing the Retention and Employment of Guggenheim Securities, LLC as Investment Banker*

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<sup>1</sup> The debtors and debtors in possession in these chapter 11 cases, along with the last four digits of their respective employer identification numbers, are as follows: Great Basin, LLC (6158); Big Lots, Inc. (9097); Big Lots Management, LLC (7948); Consolidated Property Holdings, LLC (0984); Broyhill LLC (7868); Big Lots Stores - PNS, LLC (5262); Big Lots Stores, LLC (6811); BLBO Tenant, LLC (0552); Big Lots Stores - CSR, LLC (6182); CSC Distribution LLC (8785); Closeout Distribution, LLC (0309); Durant DC, LLC (2033); AVDC, LLC (3400); GAFDC LLC (8673); PAFDC LLC (2377); WAFDC, LLC (6163); INFDC, LLC (2820); Big Lots eCommerce LLC (9612); and Big Lots F&S, LLC (3277). The address of the debtors’ corporate headquarters is 4900 E. Dublin-Granville Road, Columbus, OH 43081.

*for the Debtors and Debtors-in-Possession, Effective as of the Petition Date, and Modifying Certain Time-Keeping Requirements* Docket No. 550 (the “Retention Order”)<sup>2</sup> for the period from September 9, 2024, to and including October 31, 2024 (the “Compensation Period”), for (a) compensation in the amount of \$8,944,000.00 for actual, reasonable and necessary services rendered to the Debtors during the Compensation Period, less a twenty percent (20%) holdback with respect to the Financing Fee sought herein in the amount of \$1,708,800.00, for a total fee request of \$6,835,200.00 and (b) reimbursement of 100% of actual and necessary expenses that Guggenheim Securities incurred during the Compensation Period in the amount of \$19,638.23. In support of this Monthly Fee Application, Guggenheim Securities respectfully states as follows:

### **JURISDICTION AND VENUE**

1. The United States Bankruptcy Court for the District of Delaware (this “Court”) has jurisdiction over this matter pursuant to 28 U.S.C. § 1334 and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware dated as of February 29, 2012. This is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2). Venue is proper in this District pursuant to 28 U.S.C. §§ 1408 and 1409.

2. The statutory and other bases for the relief requested in this Monthly Fee Application are sections 328(a), 330 and 331 of the Bankruptcy Code, Bankruptcy Rule 2016, Local Rule 2016-2, the Interim Compensation Order, and the Retention Order.

### **BACKGROUND**

3. On September 9, 2024 (the “Petition Date”), the Debtors filed with this Court their voluntary petitions for relief under the Bankruptcy Code. The Debtors continue to be in possession

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<sup>2</sup> The Retention Order approved the terms of that certain engagement letter between Guggenheim Securities and the Debtors, effective as of May 20, 2024 (the “Engagement Letter”). Unless otherwise stated, all capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Engagement Letter.

of its assets and to operate its businesses and manage its properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

4. On September 18, 2024, the Debtors filed an application to retain and employ Guggenheim Securities as its investment banker Docket No. 210 (the “Retention Application”) effective as of the Petition Date, pursuant to the terms of the Engagement Letter.

5. On October 17, 2024, the Court entered the Interim Compensation Order, which generally sets forth the procedures for interim compensation and expense reimbursement for retained professionals in the Debtors’ chapter 11 cases. The Interim Compensation Order provides, among other things, that a retained professional may file a certificate of no objection with respect to any fees and expenses requested in the monthly fee application that are not subject to an objection following the expiration of the Objection Deadline (as defined in the Interim Compensation Order), at which time the Debtors shall promptly pay such professional eighty percent (80%) of such fees and 100 percent (100%) of such expenses.

6. On October 18, 2024, the Court entered the Retention Order. The Retention Order, among other things, approved the Engagement Letter, as modified by the Retention Order, pursuant to section 328(a) of the Bankruptcy Code, and authorized the Debtors to pay, reimburse, and indemnify Guggenheim Securities in accordance with the terms and conditions of, and at the times specified in, the Engagement Letter.

### **RELIEF REQUESTED**

7. By this Monthly Fee Application, Guggenheim Securities requests entry of an order granting (a) compensation in the amount of \$8,944,000.00 for actual, reasonable and necessary services rendered to the Debtors during the Compensation Period, less a twenty percent (20%) holdback with respect to the Financing Fee sought herein in the amount of \$1,708,800.00,



for a total fee request of \$6,835,200.00, (b) granting interim allowance of Guggenheim Securities' expenses incurred during Interim Compensation Period in connection with such services in the amount of \$19,638.23, and (c) directing payment of all such allowed compensation and expenses, less any amounts previously paid for such compensation and expenses.

4. During the Interim Compensation Period, certain Monthly Fees became payable to Guggenheim Securities pursuant to the terms of the Engagement Letter, as modified by the Retention Order. Specifically, during the Interim Compensation Period, \$400,000.00 became payable to Guggenheim Securities on account of two (2) Monthly Fees for September 2024 and October 2024.

5. With respect to the Financing Transaction Fee, Guggenheim Securities earned a \$8,844,000.00 Financing Fee on account of the Financing Transaction approved pursuant to the Final DIP Order (\$550,000,000.00 DIP ABL Facility raised + \$157,500,000.00 DIP Term Loan Commitment raised (both as defined in the Final DIP Order) = \$707,500,000.00 x 1.25% = \$8,844,000.00). In accordance with the Engagement Letter, however, 50% of the Monthly Fees for the months of August 2024, September 2024 and October 2024 are credited against the Financing Fee ( $3 \times \$200,000.00 = \$600,000.00 \times 0.5\% = \$300,000.00$ ).<sup>3</sup> Accordingly, the net Financing Fee is calculated as follows: \$550,000,000.00 DIP ABL Facility raised + \$157,500,000.00 DIP Term Loan Commitment raised (both as defined in the Final DIP Order) = \$707,500,000.00 x 1.25% = \$8,844,000.00 – \$300,000.00 of Monthly Fee Crediting = \$8,544,000.00.

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<sup>3</sup> Specifically, the Engagement Letter provides that commencing with the fourth full Monthly Fee actually paid under the Engagement Letter, an amount equal to 50% of the Monthly Fees actually paid to Guggenheim Securities shall be credited against any Transaction Fee that thereafter becomes payable pursuant to Sections 4(b), 4(c) or 4(d) of the Engagement Letter.

6. Although Guggenheim Securities, in line with market convention, does not bill by the hour, Guggenheim Securities kept track of its post-petition time in half-hour increments in accordance with the Retention Order. Such time records are attached hereto as Exhibit A. During the Compensation Period, Guggenheim Securities professionals spent approximately 1,686.5 hours providing investment banking services to the Debtors.

7. The fees charged by Guggenheim Securities have been billed in accordance with the Engagement Letter and the Retention Order and are comparable to those fees charged by Guggenheim Securities for professional services rendered in connection with similar chapter 11 cases and non-bankruptcy matters. Guggenheim Securities submits that such fees are reasonable based upon the customary compensation charged by similarly skilled practitioners in comparable bankruptcy cases and non-bankruptcy matters in the competitive national investment banking market.

8. There is no agreement or understanding between Guggenheim Securities and any other person, other than members of the firm, for the sharing of compensation to be received for services rendered in these chapter 11 cases.

#### **ACTUAL AND NECESSARY EXPENSES**

8. Guggenheim Securities incurred certain necessary expenses during the Compensation Period for which it is entitled to reimbursement under the Engagement Letter. As set forth in detail on the attached Exhibit B, Guggenheim Securities' total expenses for the Compensation Period are \$19,638.23.<sup>4</sup>

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<sup>4</sup> The expense reimbursements requested herein may not include certain expenses incurred by Guggenheim Securities during the Compensation Period but not processed as of the date hereof. Any such expenses will be included in future monthly fee applications.

**CERTIFICATION OF COMPLIANCE**

12. The undersigned has reviewed the requirements of Local Rule 2016-2 and certifies that, to the best of his knowledge, information and belief, this Monthly Fee Application complies with that rule.

**WHEREFORE**, Guggenheim Securities requests (a) compensation in the amount of \$8,944,000.00 for actual, reasonable and necessary services rendered to the Debtors during the Compensation Period, less a twenty percent (20%) holdback with respect to the Financing Fee sought herein in the amount of \$1,708,800.00, for a total fee request of \$6,835,200.00, and (b) interim allowance and reimbursement of 100% of Guggenheim Securities' expenses incurred during the Compensation Period in the amount of \$19,638.23.

Dated: November 8, 2024  
New York, New York

**GUGGENHEIM SECURITIES, LLC**

/s/ Stuart Erickson  
Stuart Erickson  
Senior Managing Director